

Annual Portfolio Overview

Indo-Burma Biodiversity Hotspot

January – June 2020

1. Introduction

The Critical Ecosystem Partnership Fund (CEPF) is designed to safeguard the world's biologically richest and most threatened regions known as biodiversity hotspots. It is a joint initiative of l'Agence Française de Développement (AFD), Conservation International (CI), the European Union (EU), the Global Environment Facility (GEF), the Government of Japan, and the World Bank. A fundamental purpose of CEPF is to engage civil society, such as community groups, nongovernmental organizations (NGOs), academic institutions and private enterprises, in biodiversity conservation. This is done through a combination of grant making and capacity development.

Encompassing more than 2 million square kilometers of tropical Asia, Indo-Burma is the largest and one of the most geographically diverse of Earth's 36 biodiversity hotspots. The hotspot encompasses a number of major mountain ranges, including the Annamite Mountains and eastern extensions of the Himalayas, as well as extensive areas of limestone karst and five of Asia's largest rivers: the Ayeyarwady, Salween (Nujiang), Mekong, Red and Pearl (Zhujiang). Its sweeping expanse of level lowlands embraces several fertile floodplains and deltas and includes Tonle Sap Lake in Cambodia, Southeast Asia's largest and most productive freshwater lake.

As a result of a high diversity of landforms and climatic zones, Indo-Burma supports a wide variety of habitats and, thus, high overall biodiversity. This diversity has been further increased by the development of endemism due to the hotspot's geological and evolutionary history. Centers of plant and animal endemism include the Annamite Mountains and the highlands of southern China and northern Vietnam. Consequently, the Indo-Burma Hotspot ranks in the top 10 hotspots for irreplaceability. Unfortunately, it is also ranked in the top five for threat, with only 5 percent of its original natural habitat remaining.

Indo-Burma holds more people than any other hotspot, the vast majority of whom depend for their livelihoods on the services provided by the hotspot's natural ecosystems. Of particular importance, in a region where paddy rice and fish protein provide the staple diet of more than 300 million people, are hydrological services and provisioning of fish and other freshwater products. The issues of poverty alleviation and biodiversity conservation are inextricably linked.

In common with many of the world's biodiversity hotspots, a combination of economic development and human population growth is placing unprecedented pressures on Indo-Burma's natural capital. These pressures continue to increase, despite intensified efforts by government, civil society and the donor community to respond to them. In particular, there has been an acceleration of rates of deforestation, with the rate of tree cover loss during

2010-2019 almost doubling compared with the rate during 2000-2010. Habitat loss and over-exploitation have placed increasing pressures on plant and animal populations, with the number of species recognized as globally threatened on the IUCN Red List increasing by more than 70 percent between 2011 and 2020. At the same time, the impacts of climate change are increasingly being observed in the hotspot: average temperatures have gone up; rainfall patterns have changed; sea levels have begun to rise; and extreme weather events are being recorded more frequently. These three trends: accelerating habitat loss, over-exploitation and climate change have combined to create an ecological crisis with major implications for biodiversity, human health and economic development.

For the purposes of CEPF investment, the Indo-Burma Hotspot comprises all non-marine parts of Cambodia, Lao PDR, Myanmar, Thailand and Vietnam, plus parts of southern China, including Hong Kong and Macao Special Administrative Regions (Figure 1).

Figure 1. Boundaries of the Indo-Burma Hotspot Followed by CEPF Investment



Annual Portfolio Overviews aim at providing an update on progress of CEPF's investment strategy. This particular portfolio overview covers progress in the Indo-Burma Hotspot from 1 January to 30 June 2020.

2. Niche for CEPF Investment

2.1 Overview

CEPF began making grants to civil society groups in the Indo-Burma Hotspot in July 2008. The first phase of investment ran from 2008 to 2013, during which US\$9.7 million in grants was awarded. The second phase of investment ran from 2013 to 2020, during which a further US\$15.4 million was awarded. Based upon the successful implementation of these investments, the CEPF Donor Council approved the selection of the Indo-Burma Hotspot for reinvestment in October 2019. This third phase will run from 2020 to 2025, with a total investment of US\$10 million.

The CEPF Secretariat began work on updating the ecosystem profile for the hotspot. This document contains a five-year investment strategy, developed through a process of stakeholder consultation, and informed by a situational analysis that considers the social, economic, political and climate change context. The update was not completed until August 2020 and will be described in the 2021 Annual Portfolio Overview. In parallel to updating the ecosystem profile, the CEPF Secretariat secured funding from Margaret A. Cargill Philanthropies for an initial round of grant making, with the purpose of maintaining momentum for conservation built during the second phase into the third phase of investment. This funding was restricted to Cambodia and Lao PDR and to specific thematic priorities.

The investment strategy for the Indo-Burma Hotspot has 11 strategic directions, of which six are the focus of CEPF investment:

1. Safeguard priority globally threatened species by mitigating major threats.
2. Mitigate zoonotic disease risks by reducing illegal trade and consumption of and threats to wildlife.
4. Empower local communities to engage in conservation and management of priority sites.
6. Demonstrate scalable approaches for integrating biodiversity and ecosystem services into development planning in the priority corridors.
8. Strengthen the capacity of civil society to work on biodiversity, communities and livelihoods at regional, national, local and grassroots levels.
11. Provide strategic leadership and effective coordination of conservation investment through a regional implementation team.

The geographic focus for CEPF investment is on five priority corridors (the Chindwin River, the Mekong River and Major Tributaries, the Northern Plains Seasonally Inundated Forests, the Sino-Vietnamese Limestone, and the Tonle Sap Lake and Inundation Zone) plus a network of limestone karst sites in Myanmar. Together, these cover 5 percent of the total area of the hotspot. Moreover, CEPF investment focuses on 136 priority species that require species-focused action in addition to site-based and landscape-scale conservation.

2.2 Coordinating CEPF Grant Making

During the first year of the new investment phase, activities were limited to the award of an initial round of grants with funding from Margaret A. Cargill Philanthropies. Grant making was limited to large grants (i.e., grants awarded directly by the CEPF Secretariat) and was coordinated by the Secretariat, with support from the regional implementation team (RIT) at the IUCN Asia Regional Office (ARO). CEPF and the RIT disseminated a call for letters of

inquiry (LOIs) on 22 November 2019 with a closing date of 3 January 2020. Shortlisted applicants were invited to present their project concepts to a Technical Review Committee, which met in Phnom Penh, Cambodia, on 23 and 24 January 2020. Successful applicants were then invited to develop full proposals. During the proposal preparation phase, a proposal development workshop was held from 25 to 27 February 2020, also in Phnom Penh. At the workshop, CEPF Secretariat and RIT staff provided hands-on advice to applicants with the design of their grant proposals, facilitated sharing of information about the proposed projects and encouraged collaboration, where appropriate.

2.3 Portfolio Status to date

The call generated 36 LOIs, with a total funding request of \$6.5 million. These comprised 32 LOIs for activities in Cambodia, two LOIs for activities in Lao PDR and two for activities in both countries. Based on an eligibility and technical review, 19 LOIs were shortlisted for presentation to the technical review committee in January 2020. Each shortlisted applicant was allotted 30 minutes to present their project ideas and answer questions from a committee comprising one representative of the CEPF Secretariat, two representatives of the RIT, one representative of a donor, two representatives of government, and two representatives of civil society. The technical review committee recommended to invite 14 applicants to advance to the full proposal stage, all of which were for projects in Cambodia. Subsequently, one of the applicants decided to withdraw its applications, and 13 grants were awarded.

The 13 grants have a total value of \$1.9 million, equivalent to 19 percent of the funding allocation for the investment phase. More than \$8 million remains uncommitted, including 100 percent of the funding allocations for Strategic Directions 1, 2 and 11 (Table 1). The majority of the funding allocations for Strategic Directions 4 and 8 also remain unallocated, meaning that there is considerable flexibility to develop the grant portfolios under these strategic directions in future calls. Only under Strategic Direction 6, where only one quarter of the funding allocation remains, are future directions for developing the grant portfolio constrained. Here, future grant making will need to target the remaining gaps in the portfolio intermediate indicators: analysis of one more development policy, plan or program; increased public debate and awareness of two more key environmental issues; and biodiversity-friendly production of two more commodities (see Annex 1).

Table 1: Distribution of CEPF Investment by Strategic Direction

Strategic Direction	Funding Allocation	Awarded Grants			Amount Under/(Over) Budget	% of Funding Allocation Remaining
		Total Amount	# of large grants	# of small grants		
SD1	\$3,200,000	\$0	0	0	\$3,200,000	100
SD2	\$1,000,000	\$0	0	0	\$1,000,000	100
SD4	\$2,000,000	\$610,000	5	0	\$1,390,000	70
SD6	\$1,400,000	\$1,078,534	6	0	\$321,466	23
SD8	\$1,000,000	\$240,000	2	0	\$760,000	76
SD11	\$1,400,000	\$0	0	0	\$1,400,000	100
Total	\$10,000,000	\$1,928,534	84	105	\$8,071,466	81

3. Performance of CEPF Investment

The first round of grant making under the new phase in Indo-Burma was efficient: the average time between receipt of LOI and countersignature of the grant agreement was less than six months. The grant-making process was also fair and transparent: objective criteria were used to evaluate applications, and shortlisted applicants were given the opportunity to present their project concepts in person to a technical review panel made up of representatives of government, civil society and donors. For the first time in Indo-Burma, the proposal preparation phase featured a proposal development workshop, which drew on the “grantee master class” model piloted in the Eastern Afromontane Hotspot. By allowing CEPF Secretariat and RIT staff to interact directly with applicants and provide advice on different elements of project design, this workshop shortened the proposal review process by improving the quality of the initial submission and reducing the number of rounds of revisions needed to get the proposal and budget to the requisite standard.

At the end of the period covered by this report (30 June 2020), the CEPF-supported projects had been under implementation for between zero and two months. In some cases, the grantee had been able to recruit and train staff or announce the launch of the project to key stakeholders. However, very few project activities were implemented, especially as restrictions on travel and in-person meetings were introduced in Cambodia in response to the COVID-19 pandemic. It is too early to judge the impact of these restrictions on project implementation but they are potentially significant, given the importance of trainings, community meetings and workshops to the design of many of the projects. In the coming year, the emphasis will be on adaptive management of the active grants, to adjust to the dynamic public health situation. The over-riding priority will be to minimize risks to project staff, local communities and other stakeholders, including by postponing or restructuring project activities, using virtual meetings in place of in-person ones, and providing staff with the necessary technology to facilitate remote working.

4. Collaboration with CEPF’s donors and other funders

In January 2020, the fifth annual regional meeting of the Lower Mekong Network was held in Chiang Mai, Thailand. The meeting was attended by participants from 38 organizations, including civil society organizations, donors and intermediaries. The meeting provided a platform for participating organizations to learn from one another, pursue shared strategies and respond to common challenges. CEPF was represented by Jack Tordoff, Managing Director, who took the opportunity to interact with representatives of the Chino Cienega Foundation, MacArthur Foundation, Margaret A. Cargill Philanthropies, McConnell Foundation and McKnight Foundation, and discuss joint strategies.

5. Conclusion

The third phase of CEPF investment in the Indo-Burma Hotspot has begun in a limited way, with an initial round of grant making using funding made available by Margaret A. Cargill Philanthropies. The 13 grants awarded, all in Cambodia, build upon past investments under the previous phase, while also featuring some new directions for CEPF, including some new local civil society partners. The restricted scope of the call and the relatively small number of applications received allowed two innovations to the grant-making process to be piloted: presentations to the technical review committee by applicants; and proposal development workshops. Both proved successful and will be adopted more widely for future calls.

Annexes

Annex 1: Results Against Objective and Outcomes in the Portfolio Logframe

Objective	Targets	Results
<p>Demonstrate effective, scalable approaches to major conservation issues that leverage the skills, experience and energy of civil society actors.</p>	<p>At least 50 CSOs, including at least 40 domestic organizations, actively participate in conservation actions guided by the ecosystem profile.</p> <p>At least 12 alliances and networks formed among civil society actors to avoid duplication of effort and maximize impact in support of the CEPF ecosystem profile.</p> <p>At least 25 Key Biodiversity Areas targeted by CEPF grants have new or strengthened protection and management.</p> <p>At least 100,000 hectares of production landscapes with strengthened management of biodiversity.</p> <p>At least 3 development plans or policies influenced to accommodate biodiversity.</p> <p>At least 5,000 women and 5,000 of men receive direct socio-economic benefits through increased income, food security, resource rights or other measures of human wellbeing.</p>	<p>11 civil society organizations have been awarded CEPF grants, including 7 domestic organizations.</p> <p>No progress to date.</p> <p>Grants awarded to date aim to strengthen the protection and management of 11 KBAs.</p> <p>Grants awarded to date aim to strengthen the management of biodiversity within 9,104 hectares of production landscape.</p> <p>Grants awarded to date aim to influence 3 plans or policies to accommodate biodiversity.</p> <p>Grants awarded to date aim to deliver direct socio-economic benefits to at least 735 women and 735 men.</p>

Intermediate Outcomes	Intermediate Indicators	Results
<p>Outcome 1: Priority globally threatened species safeguarded by mitigating major threats.</p>	<p>Long-term conservation programs for core populations of at least 25 priority species sustained until 2025.</p> <p>Viable wild populations of at least 3 priority species reestablished.</p> <p>Knowledge of the status and distribution of at least 3 priority species improved through research.</p> <p>At least \$1 million in funding for species conservation leveraged from innovative sources.</p> <p>At least 10 community-level species champions implement locally identified actions for priority species.</p>	<p>Grants awarded to date aim to sustain long-term conservation programs for core populations of 9 priority species: 1 mammal; 7 birds; and 1 reptile.</p> <p>Grants awarded to date aim to reestablish viable wild populations of 1 priority species: Siamese crocodile.</p> <p>No progress to date.</p> <p>No progress to date.</p> <p>No progress to date.</p>
<p>Outcome 2: Zoonotic disease threats mitigated by reducing trade and consumption of and threats to wildlife.</p>	<p>At least 1 high-level wildlife trade network unraveled by enforcement agencies employing global best practice with investigations and informants.</p> <p>At least 2 initiatives to reduce transportation, sale and consumption of wildlife piloted in collaboration with enforcement agencies and/or actors in the public health sector.</p> <p>At least 5 private and/or state-owned companies introduce effective measures to reduce their involvement in the transportation, sale and consumption of wildlife.</p>	<p>No progress to date.</p> <p>No progress to date.</p> <p>No progress to date.</p>

	<p>At least 3 campaigns implemented to reduce consumer demand for wildlife and mobilize public participation in wildlife crime detection and reporting.</p> <p>At least 3 journal papers published on linkages between biodiversity and human health, including the role of biodiversity loss in the emergence of zoonotic diseases.</p>	<p>No progress to date.</p> <p>No progress to date.</p>
<p>Outcome 3: Local communities empowered to engage in conservation and management of priority sites.</p>	<p>Awareness of local conservation issues and rights and opportunities related to natural resource management raised among local communities within at least 5 priority sites.</p> <p>Community forests, community fisheries and/or community-managed protected areas piloted, amplified and/or made more sustainable within at least 10 priority sites.</p> <p>Co-management mechanisms that enable community participation in zoning, management and governance of formal protected areas developed for at least 5 priority sites.</p> <p>Lists of KBAs in at least 3 hotspot countries updated in line with the new KBA standard.</p> <p>Third-party evaluation of project impacts on biodiversity and human wellbeing undertaken in at least 10 priority sites.</p>	<p>Grants awarded to date aim to raise awareness of local conservation issues and rights and opportunities related to natural resource management among local communities at 2 priority sites.</p> <p>Grants awarded to date aim to amplify community forests, community fisheries and/or community-managed protected areas and/or make them more sustainable at 6 priority sites.</p> <p>Grants awarded to date aim to develop co-management mechanisms for formal protected areas at 7 priority sites.</p> <p>No progress to date.</p> <p>No progress to date.</p>

<p>Outcome 4: Demonstration projects developed for integrating biodiversity and ecosystem services into development planning in the priority corridors.</p>	<p>At least 4 development policies, plans or programs analyzed, with impacts on biodiversity and ecosystem services evaluated and alternative development scenarios, nature-based solutions and mitigating measures proposed.</p> <p>Demonstration projects for ecological restoration developed in at least 2 priority corridors.</p> <p>Public debate and awareness of at least 3 key environmental issues increased through coverage in domestic media.</p> <p>Models for biodiversity-friendly production piloted for at least 3 commodities.</p>	<p>Grants awarded to date aim to analyze 3 development policies, plans or programs.</p> <p>Grants awarded to date aim to demonstrate approaches to ecological restoration in 3 priority corridors.</p> <p>Grants awarded to date aim to increase public debate and awareness of 1 key environmental issue: hydropower dam development in Cambodia.</p> <p>Grants awarded to date aim to pilot biodiversity-friendly production of 1 commodity: rice.</p>
<p>Outcome 5: Civil society capacity to work on biodiversity, communities and livelihoods strengthened at regional, national, local and grassroots levels.</p>	<p>At least 15 civil society networks enable collective responses to priority and emerging threats.</p> <p>At least 50 domestic CSOs demonstrate improvements in organizational capacity.</p> <p>At least 20 domestic CSOs demonstrate improved performance with gender mainstreaming.</p> <p>At least 1 mechanism established to match volunteers to CSOs' training needs.</p>	<p>Grants awarded to date aim to strengthen 7 civil society networks to enable collective responses to priority and emerging threats.</p> <p>Grants awarded to date aim to strengthen the organizational capacity of 10 domestic CSOs.</p> <p>Grants awarded to date aim to improve the gender mainstreaming performance of 7 domestic CSOs.</p> <p>No progress to date.</p>

<p>Outcome 6: A Regional Implementation Team provides strategic leadership and effectively coordinates CEPF investment in the Indo-Burma Hotspot.</p>	<p>At least 50 CSOs, including at least 40 domestic organizations actively participate in conservation actions guided by the ecosystem profile.</p> <p>At least 75 percent of domestic CSOs receiving grants demonstrate more effective capacity to design and implement conservation actions.</p> <p>At least 2 participatory assessments are undertaken and documented.</p>	<p>11 civil society organizations have been awarded CEPF grants, including 7 domestic organizations.</p> <p>Baseline civil society tracking tools have been completed by 7 domestic CSOs receiving grants.</p> <p>No progress to date.</p>
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Annex 2. List of Awarded Grants

No.	Grantee	Project Title and Link to CEPF Website	Countries	Amount	Start Date	End Date
Strategic Direction 4: Empower local communities to engage in conservation and management of priority sites						
1	Conservation International	Community based wild-fire management on Cambodia's Tonle Sap Lake	Cambodia	\$180,000	7/1/2020	6/30/2022
2	Culture and Environment Preservation Association	Sustainable Natural Capital Management through Improving Biodiversity Conservation in Stung Treng Ramsar Site, Cambodia	Cambodia	\$100,000	7/1/2020	6/30/2022
3	Fisheries Action Coalition Team	Strengthening Capacity of Community Fisheries to Manage Fisheries Resources around Tonle Sap Lake, Cambodia	Cambodia	\$100,000	6/1/2020	5/31/2022
4	My Village	Inclusive Participation of Indigenous Communities and Rural Communities in Fishery Conservation and Governance in Stung Treng Province, Cambodia	Cambodia	\$150,000	6/1/2020	5/31/2022
5	NatureLife Cambodia	NGO Capacity Building and Community Protected Area Development at Stung Sen Ramsar Site, Cambodia	Cambodia	\$80,000	5/1/2020	5/31/2022
Strategic Direction 6: Demonstrate scalable approaches for integrating biodiversity and ecosystem services into development planning in the priority corridors						
6	BirdLife International	Inundated Forest Conservation through Wetland Restoration and Disease Reduction in Northeast Cambodia	Cambodia	\$180,000	5/1/2020	4/30/2022
7	BirdLife International Cambodia Programme	Organic Livelihoods Conserving Cambodia's Big Five	Cambodia	\$180,000	5/1/2020	4/30/2022
8	International Rivers Network	Minimizing Ecosystem and Community Vulnerability in Cambodia to Lower Mekong Hydropower	Cambodia	\$149,996	6/1/2020	5/31/2022
9	Rising Phoenix Co. Ltd.	Siamese Crocodile: Icon for the Restoration of the Sekong River, Cambodia	Cambodia	\$180,000	5/1/2020	4/30/2022
10	Sansom Mlup Prey	Wildlife-friendly Community Irrigation Ponds for Climate Resilience, Habitat and Collective Management in Cambodia	Cambodia	\$208,588	6/1/2020	5/31/2022

11	Wildlife Conservation Society	Pragmatic Protocols for Restoration of Ecosystem Processes in Cambodia's Wild	Cambodia	\$179,950	7/1/2020	6/30/2022
Strategic Direction 8: Strengthen the capacity of civil society to work on biodiversity, communities and livelihoods at regional, national, local and grassroots levels						
12	Cambodian Indigenous Youth Association	Strengthening Indigenous Youth Participation in Protection of the Northern Plains Seasonally Inundated Forests of Cambodia	Cambodia	\$60,000	7/1/2020	6/30/2022
13	Fisheries Action Coalition Team	Strengthening Capacity of the NGO Coalition on Fisheries and the Coalition of Cambodia Fishers	Cambodia	\$180,000	6/1/2020	5/31/2022

Annex 3. CEPF Investment in the Indo-Burma Hotspot, January-June 2020

Chart 1. Approved Grants by Strategic Direction

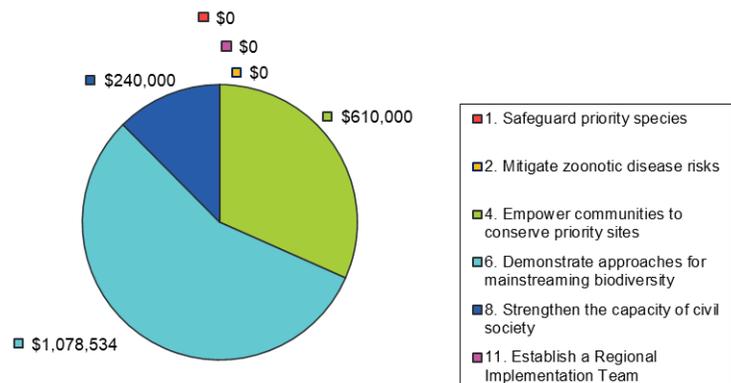


Chart 2. Approved Grants by Corridor and Strategic Direction

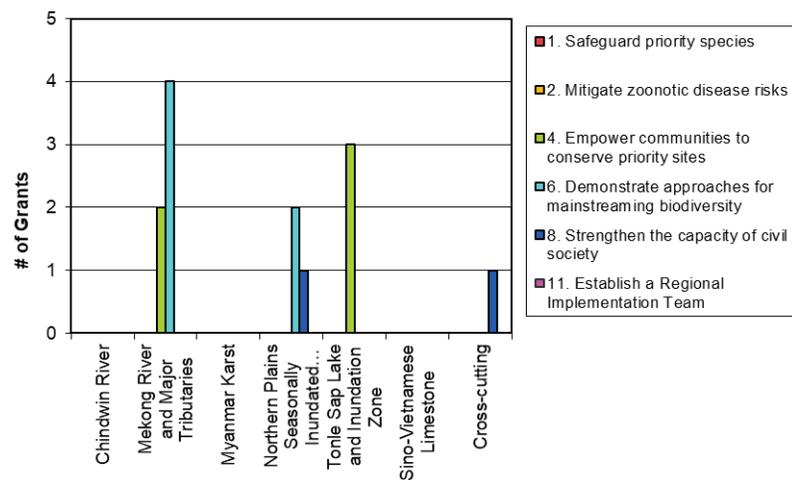


Chart 3. Portfolio Status by Strategic Direction

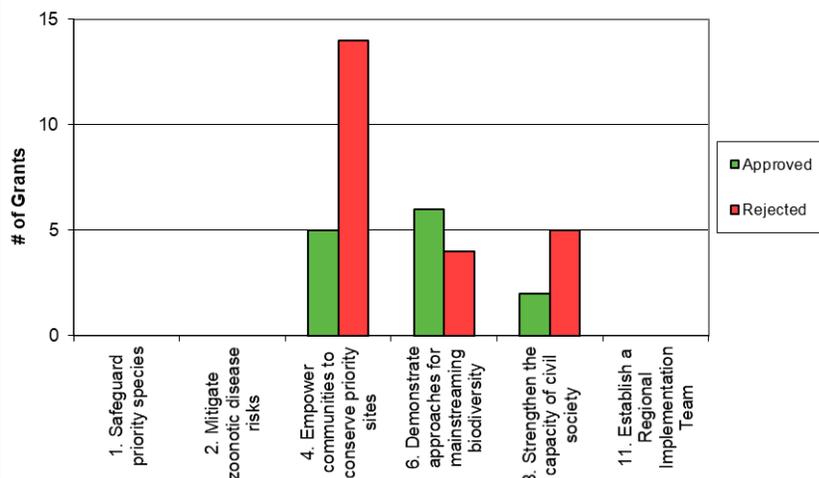


Chart 4. Combined Value of Grants Awarded

